

Article - Public Utilities

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§22–103.

(a) Except as provided in subsection (b) of this section, the aggregate principal amount of bonds outstanding at any time that will not reach full maturity within 5 years from the date of issue may not exceed the greater of:

(1) the sum of:

(i) 3.8% of the total assessable base of all real property assessed for county tax purposes within the sanitary district; and

(ii) 7% of the total assessable personal property and operating real property described under § 8–109(c) of the Tax – Property Article assessed for county tax purposes within the sanitary district; or

(2) the sum of:

(i) 3.8% of the total assessable base of all real property assessed for county tax purposes within the sanitary district as of July 1, 1997; and

(ii) 7% of the total assessable personal property and operating real property described under § 8–109(c) of the Tax – Property Article assessed for county tax purposes within the sanitary district as of July 1, 1997.

(b) (1) In this subsection, “government obligation” means:

(i) a direct obligation of the United States; or

(ii) an obligation unconditionally guaranteed as to principal and interest by the United States.

(2) To calculate the maximum debt authorized under this section, the aggregate amount of bonds outstanding is reduced by:

(i) the amount held in the joint sinking fund account for the payment of principal of the bonds; and

(ii) the amount of any bond for which there is irrevocably deposited:

1. cash; or
2. government obligations maturing as to principal and interest at times and in amounts sufficient to provide adequate and complete payment of the principal or redemption price and interest as required on the bond.

(c) Except as otherwise provided by an act of the General Assembly of Maryland, the maximum debt level authorized under this section applies to any bond issued under an act of the General Assembly of Maryland enacted on or after July 1, 1997.

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